



MEDICULT  
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PIPETS

MIDATLANTIC  
DEVICES

## Q2 2011

*Results and Business Update*  
(Oslo Stock Exchange ticker: ORO)

August 23, 2011

[www.origio.com](http://www.origio.com)

Ticker (OSE): ORO



## Forward-Looking Statements

*This presentation includes forward-looking statements regarding ORIGIO a/s, including projections and expectations, which involve risk and uncertainty. Such statements are included without any guarantee as to their future realization. Although ORIGIO believes that the expectations regarding the Company reflected in such forward-looking statements are based on reasonable assumptions, no assurance can be given that such projections will be fulfilled. Any such forward-looking statement must be considered along with knowledge that actual events or results may vary materially from such predictions due to, among other things, political, economic, financial or legal changes in the markets in which ORIGIO does business, and competitive developments or risks inherent to the Company's business plans. Many of these factors are beyond ORIGIO's ability to control or predict. Given these uncertainties, readers are cautioned not to place undue reliance on any forward-looking statements. The Company does not intend, and does not assume any obligation, to update the forward-looking statements included in this presentation as of any date subsequent to the date hereof.*

# ORIGIO is a world leader in Assisted Reproductive Technology (ART) solutions



## Vision:

To make the #1 dream of every infertile couple come true

## Mission:

We deliver leading, innovative ART solutions to the benefit of families

Our products facilitate human birth every 5 minutes, somewhere around the world

More than 100,000 babies per year are born using ORIGIO products

# Agenda

- Q2 2011 Overview and Financials
- Business Update and Pipeline Progress
- Investment Highlights

# Highlights Q2 2011

## Strategic & Operational

- Organic growth of 20% in constant currency in Q2 2011 and 22% YTD
- Acquisition of minority stake of MDT Artworks B.V (effect from July 6) – a Dutch manufacturer of IVF oocyte retrieval needles and embryo transfer catheters
- Launch of the novel IVF medium, EmbryoGen® in July 2011. CE-mark received in August 2011
- EmbryoSure; need for further investigation of the analysis method before human study can commence
- New promising data from hyaluronan based sperm screening (HBA®) and selection (PICSI®) study

## Financials

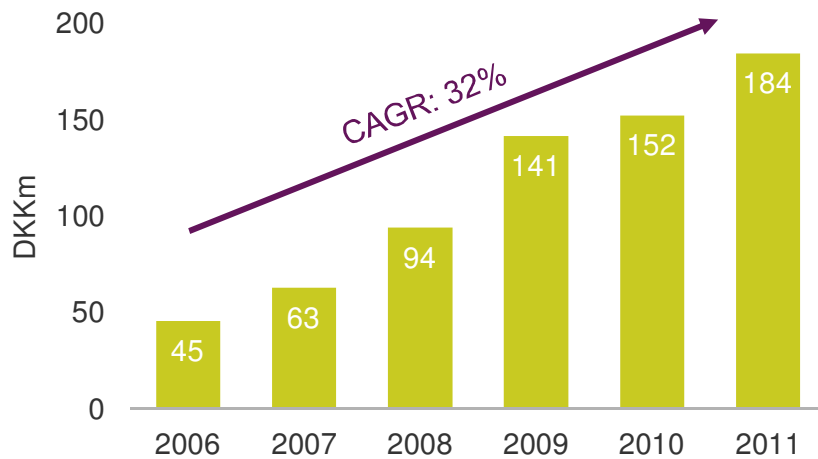
- Revenue in Q2 2011 of DKK 91.8 million which is 16% higher than Q2 2010. Revenue YTD of DKK 184.2 million or 21% higher than 2010
- EBITDA before special items increased in Q2 2011 to DKK 15.3 million (16.7% of revenue) and DKK 31.5 million YTD (17.1% of revenue)
- Operating cash flow of DKK 6.5 million in Q2 2011 vs. DKK 3.8 million in Q2 2010. YTD operating cash flow amounted to DKK 7.3 million, which is DKK 6.8 million higher than 2010
- Guidance for 2011 revised

## 2011 full year targets, follow-up

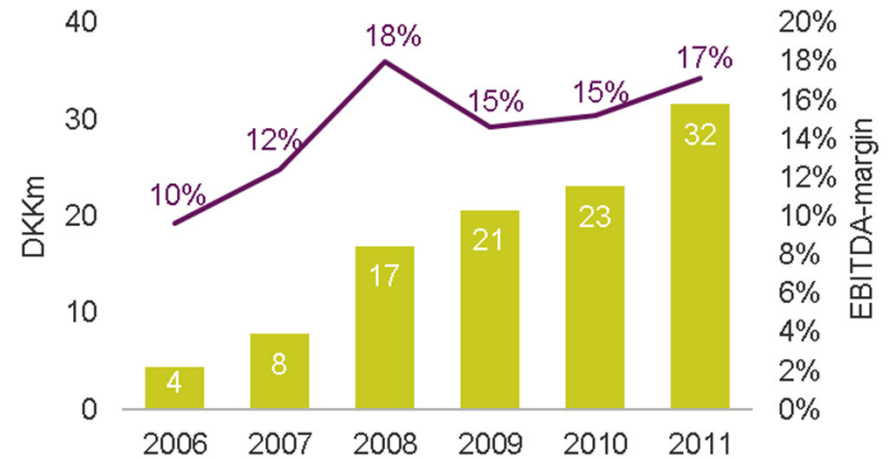
	2011 FULL YEAR TARGETS	ACHIEVED YTD 2011
<b>Financial</b>	<ul style="list-style-type: none"> <li>• Revenue of DKK 330-340 million incl. organic growth ~7-10%*. Excluding EmbryoGen® launch effect</li> <li>• EBITDA-margin of 13-15%, excluding EmbryoGen® effect and related costs</li> <li>• Capital expenditures of DKK 10-15 million</li> <li>• Operating cash flow above DKK 25 million</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue of DKK 184.2 million, hereof 22% organic growth*</li> <li>• EBITDA-margin before special items: 17.1%</li> <li>• Capital expenditures: DKK 12.0 million</li> <li>• Operating cash flow: DKK 7.3 million</li> </ul>
<b>Products</b>	<ul style="list-style-type: none"> <li>• Sequential launch of EmbryoGen® in selected countries (Q3)</li> </ul>	<ul style="list-style-type: none"> <li>• EmbryoGen® launched in July 2011 and CE-mark received in August, 2011</li> </ul>
<b>R&amp;D</b>	<ul style="list-style-type: none"> <li>• Stem cells: partnering agreement</li> <li>• EmbryoSure: exploratory data (Q4)</li> <li>• Microfluidics: completion of bovine test (Q4)</li> </ul>	<ul style="list-style-type: none"> <li>• Partnering process on-going</li> <li>• Need for further investigation of the analysis method before human study can commence</li> <li>• In process / On track</li> </ul>
<b>Other</b>	<ul style="list-style-type: none"> <li>• Consolidate US manufacturing of disposables at 1 site (Q2)</li> <li>• Full implementation of PMD workstations for ICSI pipettes (Q3)</li> </ul>	<ul style="list-style-type: none"> <li>• Completed</li> <li>• In process / On track</li> </ul>

# Growth in key operational financials 2006 – 2011 (January – June)

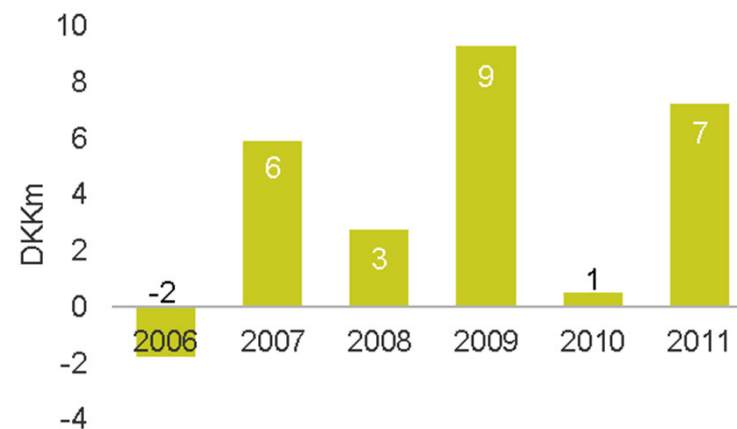
Revenue



EBITDA before special items



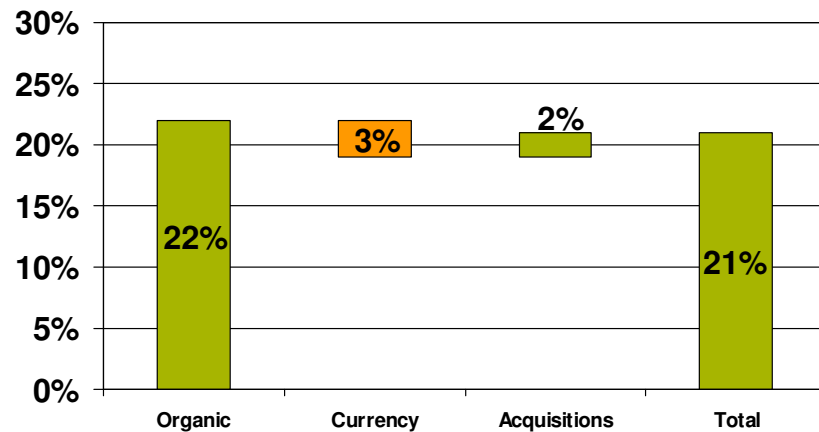
Operating cash flow



- Strong revenue growth
- Increasing EBITDA-margin
- Positive operating cash flow despite high growth

# ORIGIO Group Growth Drivers

Growth YTD 2011



Q2	20%	-7%	3%	16%
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Products	Q2 2011	Organic growth* Q2 2011	YTD 2011	Organic growth* YTD
DKK million				
<b>Disposables</b>	75.3	11%	147.3	12%
<b>Equipment</b>	16.5	86%	36.9	91%
<b>Total</b>	<b>91.8</b>	<b>20%</b>	<b>184.2</b>	<b>22%</b>

Regions	Q2 2011	Organic growth* Q2 2011	YTD 2011	Organic growth* YTD
DKK million				
<b>Europe</b>	51.8	19%	100.7	20%
<b>Americas</b>	22.4	13%	48.9	17%
<b>ROW</b>	17.6	35%	34.6	35%
<b>Total</b>	<b>91.8</b>	<b>20%</b>	<b>184.2</b>	<b>22%</b>

\* Constant currency

- Growth in equipment driven by ORIGIO ScanLab Equipment, strong sales in the US, as well as the mini-incubator BT 37
- Disposables experienced especially high growth of ORIGIO MidAtlantic devices
- Double digit growth in all regions.

## Profit & Loss Statement Q2 and YTD 2011

DKK'000	Q2 2011	Q2 2010	% Diff	YTD 2011	YTD 2010	% Diff
<b>Revenue</b>	<b>91,777</b>	<b>78,994</b>	<b>16%</b>	<b>184,179</b>	<b>152,023</b>	<b>21%</b>
Cost of sales	34,883	31,568	11%	72,355	59,550	22%
<b>Gross contribution</b>	<b>56,894</b>	<b>47,426</b>	<b>20%</b>	<b>111,824</b>	<b>92,473</b>	<b>21%</b>
<b>GCM %</b>	<b>62.0%</b>	<b>60.0%</b>	<b>2%</b>	<b>60.7%</b>	<b>60.8%</b>	<b>0%</b>
Sales and marketing expenses	26,673	22,975	16%	50,609	41,478	22%
Administrative expenses	10,197	9,128	12%	19,682	17,502	12%
Research and development expenses*	4,714	5,633	-16%	9,996	10,414	-4%
Total capacity costs	41,584	37,736	10%	80,287	69,394	16%
<b>EBITDA, before special items</b>	<b>15,310</b>	<b>9,690</b>	<b>58%</b>	<b>31,537</b>	<b>23,079</b>	<b>37%</b>
<b>EBITDA%, before special items</b>	<b>16.7%</b>	<b>12.3%</b>	<b>4%</b>	<b>17.1%</b>	<b>15.2%</b>	<b>2%</b>
Depreciations	2,687	1,352	99%	5,466	2,458	122%
<b>EBITA, before special items</b>	<b>12,623</b>	<b>8,338</b>	<b>51%</b>	<b>26,071</b>	<b>20,621</b>	<b>26%</b>
<b>EBITA%, before special items</b>	<b>13.8%</b>	<b>10.6%</b>	<b>3%</b>	<b>14.2%</b>	<b>13.6%</b>	<b>1%</b>
Amortisation of intangible assets	1,416	2,169	-35%	3,230	4,038	-20%
<b>EBIT, before special items</b>	<b>11,207</b>	<b>6,169</b>	<b>82%</b>	<b>22,841</b>	<b>16,583</b>	<b>38%</b>
<b>EBIT%, before special items</b>	<b>12.2%</b>	<b>7.8%</b>	<b>4%</b>	<b>12.4%</b>	<b>10.9%</b>	<b>1%</b>
Special items	2,747	5,404	-49%	3,237	5,404	-40%
<b>EBIT</b>	<b>8,460</b>	<b>765</b>	<b>1,006%</b>	<b>19,604</b>	<b>11,179</b>	<b>75%</b>
<b>EBIT%</b>	<b>9.2%</b>	<b>1.0%</b>	<b>8%</b>	<b>10.6%</b>	<b>7.4%</b>	<b>3%</b>
Net finance*	-3,924	-1,012	288%	-7,113	-3,779	88%
<b>EBT</b>	<b>4,536</b>	<b>-247</b>	<b>1,936%</b>	<b>12,491</b>	<b>7,400</b>	<b>69%</b>
<b>EBT%</b>	<b>4.9%</b>	<b>-0.3%</b>	<b>5%</b>	<b>6.8%</b>	<b>4.9%</b>	<b>2%</b>
Income tax expense	-757	192	-494%	-4,087	-2,899	41%
<b>Net profits</b>	<b>3,779</b>	<b>-55</b>	<b>6,971%</b>	<b>8,404</b>	<b>4,501</b>	<b>87%</b>
<b>Net profit %</b>	<b>4.1%</b>	<b>-0.1%</b>	<b>4%</b>	<b>4.6%</b>	<b>3.0%</b>	<b>2%</b>

## Profit & Loss Statement – additional information

### Special items and Net Finance

Special items	Q2 2011	Q2 2010	YTD 2011	YTD 2010
Former US automation project	0	4,559	0	4,559
Property, Jyllinge former HQ	171	0	418	0
Advisors (novel activities)	2,576	845	2,819	845
<b>Special items, total</b>	<b>2,747</b>	<b>5,404</b>	<b>3,237</b>	<b>5,404</b>

Net Finance	Q2 2011	Q2 2010	YTD 2011	YTD 2010
Calculatory interest, deferred payment acquisitions	-636	-757	-1,305	-1,456
Credit institutions	-1,896	-159	-3,772	-318
Acquisitions loans, USD	-616	-892	-1,248	-1,562
Currency adjustments	-107	1,139	-127	117
Other financial items	-669	-343	-661	-560
<b>Net finance</b>	<b>-3,924</b>	<b>-1,012</b>	<b>-7,113</b>	<b>-3,779</b>

## Cash Flow Q2 2011 and YTD

DKK ' 00091	Q2'11	Q2'10	YTD'11	YTD'10
<b>Result for the period</b>	<b>3,779</b>	<b>-55</b>	<b>8,404</b>	<b>4,500</b>
Amortisations and depreciations	4,103	8,399	8,695	11,374
Warrants	0	369	0	738
Financial items and tax	4,681	-1,413	11,201	4,445
Change in inventories	-1,165	-4,831	-1,410	-20,109
Change in receivables	1,785	-1,983	-13,488	-5,266
Changes in other working capital items	-1,310	8,029	6,927	9,613
<b>Cash flow from operations before finc.</b>	<b>11,873</b>	<b>8,515</b>	<b>20,329</b>	<b>5,295</b>
Financial items and tax	-5,409	-4,667	-13,068	-4,791
<b>Operating cash flow</b>	<b>6,464</b>	<b>3,848</b>	<b>7,261</b>	<b>504</b>
Investments in intangible fixed assets	-1,782	-18,702	-2,648	-20,829
Investments in fixed assets	-5,024	-30,434	-9,391	-68,805
<b>Free cash flow</b>	<b>-342</b>	<b>-45,288</b>	<b>-4,778</b>	<b>-89,130</b>
Investments in financial assets	54	105	71	38,187
<b>Cash flow from investing activities</b>	<b>-6,752</b>	<b>-49,031</b>	<b>-11,968</b>	<b>-51,447</b>
<b>Cash flow before financing activities</b>	<b>-288</b>	<b>-45,183</b>	<b>-4,707</b>	<b>-50,943</b>
Financing activities, net	-14,148	5,970	-16,645	5,917
<b>Net cash flow</b>	<b>-14,436</b>	<b>-39,213</b>	<b>-21,352</b>	<b>-45,026</b>

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## Acquisition of minority stake of MDT Artworks B.V

- **MDT Artworks B.V.**

- Dutch manufacturer of IVF Oocyte Retrieval Needles and Embryo Transfer Catheters
- High-end quality needles & selected insemination catheters for IUI
- Generated sales of EUR 0.6 million in 2010 in mainly Germany and Benelux
- A new pump system for aspiration and new embryo transfer catheter are developed for launch in the second half of 2011
- Owner will continue as head of needles/catheter manufacturing and R&D



- **ORIGIO estimates that the global retail market for IVF needles and catheters represents a value of approximately DKK 600 million annually**

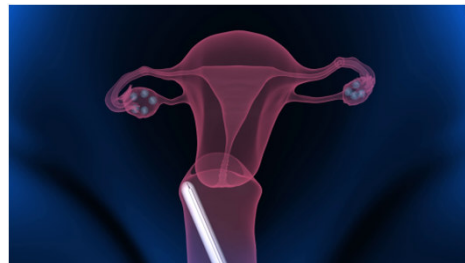
- **Terms**

- Acquired 12.8% of the shares for EUR 250,000
- ORIGIO has an option to acquire the remaining 87.2% of the shares for EUR 2.2 million, and in addition EUR 0.55 million in assumed debt



# Retrieval & Transfer Solutions

## Enlargement of ORIGIO's product portfolio



Oocyte Retrieval Solutions

Previous ORIGIO product offering  
(media, pipets, devices, equipment)



Embryo Transfer Catheters

Current ORIGIO product offering  
(‘complete’ range of products for IVF treatment)

## Strong pipeline with focus on improving “Baby-take-home” rate

Product	Research	Development			Regulatory	Next milestone	Est. revenue potential*** DKK mill/year
	Preclinical	Human safety	Without transfer	With transfer			
Probability of success	0 - 10%	10 - 20%	20 - 40%	40 - 80%*	80 - 100%		
EmbryoGen® (IVF medium)					Q3 2011	Sequential launch	100+
Iloprost** (IVF medium)			Q1 2012			Pilot impl.data	0 - 100+
IGF-II (IVF medium)	Q3 2011					Documented raw materials	0 - 350+
EmbryoSure* (Embryo selection)			TBD			Validation analysis method	0 - 350+
SMART Start™ (Microfluidics)	Q4 2011					Bovine test	0 - 200+
Stem cells (Stem cell medium)	Different development path					Agreement	0 - significant
						<b>Total</b>	<b>&gt; 1,000</b>

\*Probability at this stage lower than graphically indicated due to uncertainties related to the analysis method

\*\*Timeline uncertain due to investigator initiated study. Probability at this stage estimated at 20-40%

\*\*\* ORIGIO estimate. Revenue potentials may not be additive for IVF media projects

# EmbryoGen® launched July and received CE-mark in August

## Novel IVF medium that helps miscarriage patients

- The world’s largest fertility media study (1332 patients) in which the effect of the cytokine ‘GM-CSF’\* was investigated

Ongoing Implantation Rate	EmbryoGen® Mean	EmbryoAssist™ Mean	Diff. (%)	P-value
Subgroup: Previous miscarriage (327 subjects, 142/147 transfer cycles)				
Week 7	24.5	17.0	+44.1	0.001
Week 12	23.2	16.5	+40.6	0.003

### Market potential and commercialization

- The initial primary target group for EmbryoGen® is believed to be at least 200,000 cycles per year
- EmbryoGen® can obtain premium pricing and still reduce the average cost per child conceived via ART due to lower average number of cycles to become pregnant
- ORIGIO has world-wide exclusive rights for human use of ART media containing GM-CSF



\* Abbreviation for Granulocyte-Macrophage Colony-Stimulating Factor

## EmbryoSure; need for further investigation of the analysis method

- ORIGIO has signed a definitive agreement with Novocellus Ltd. (Guildford, UK) to license the non-invasive embryo selection technology, EmbryoSure™, developed by Professor Henry Leese at the University of York, UK. The technology is based on amino acid profiling
- Progress has been somewhat slower than had been expected predominantly due to the need for further investigation of the analysis method
- The planned human study program cannot commence until the analysis method has been successfully validated

# Stem cells – focus on partnering process

## 1. Continue to develop and document performance of the media concepts

- Focus has been on comparisons with competitor media and long-term tests, mainly on adipose derived mesenchymal stem cells
  - New surface markers analyses successfully demonstrating that the cells remain undifferentiated for several passages when grown in ORIGIO's defined serum free medium
  - Also, the medium has been shown to support the isolation and expansion of stem cells directly from tissue.

## 2. Perform media tests in collaboration with potential partners

- Material transfer agreements have been signed with potential partners, and external tests are ongoing to validate ORIGIO's results

## 3. Further progress on regulatory compliance on components

- The vast majority of components can be obtained in pharmacopeia quality
- Final in-house performance studies of media formulated with regulatory compliant components are being performed, and it is investigated whether some of the in pharmacopeia raw materials can be omitted from composition

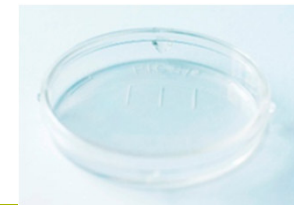
**ORIGIO continues the process of identifying a partner for further development and commercialization of the well-defined and patented growth media for the culture of stem cells**

## New promising data from hyaluronan based sperm screening (HBA®) and selection (PICSI®) study

- At ESHRE 2010, Dr. Kathryn C. Worrilow, presented preliminary data from a 800+ patient prospective, double-blinded, multi-site clinical trial
- Analysis of the embryos from the study group with hyaluronan bound sperm demonstrated better embryo morphology over those in the ICSI control group – including an improved clinical pregnancy rate
- Dr. Worrilow showed at ESHRE 2011, that of all maternal and seminal parameters commonly assessed in the evaluation of the infertile couple, the HBA® assay was the single most robust predictor of a positive clinical outcome
- ORIGIO MidAtlantic Devices has exclusive global distribution rights for HBA® and PISCI®



HBA® provide the quick and reliable screening revealing the fraction of mature vs. immature spermatozoa in the sample - information necessary to the clinician to determine which treatment to offer: IUI, IVF or ICSI



The PICSI® sperm selection device allows the embryologist to identify the mature spermatozoa in a given sample – thereby securing that sperm with increased functional competence is used for the ICSI procedure.

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## Revised Financial Guidance For FY 2011

Previous guidance, April 28, 2011	New guidance, August 23, 2011
<ul style="list-style-type: none"> <li>• <b>Revenue:</b> DKK 330-340 million*, incl. constant currency growth of 7-10%.</li> <li>• <b>EBITDA% before special items*:</b> of 13-15%.</li> <li>• <b>Capital expenditure:</b> DKK 10 – 15 million</li> <li>• <b>Cash flow from operations:</b> more than DKK 25 million.</li> </ul> <p><b>Based on:</b> USD/DKK: 5.35 (FY average 2011)</p>	<ul style="list-style-type: none"> <li>• <b>Revenue:</b> DKK ~360 million**, incl. constant currency growth of ~15%</li> <li>• <b>EBITDA% before special items:</b> of 13-16%.</li> <li>• <b>Capital expenditure:</b> DKK 10 – 15 million</li> <li>• <b>Cash flow from operations:</b> more than DKK 25 million.</li> </ul> <p><b>Based on:</b> USD/DKK: 5.33 (FY average 2011)</p>

\* Excluding EmbryoGen® launch effects and related costs

\*\* Including the effect from MDT Artworks and EmbryoGen® with a total of DKK 9 million in revenue

# ORIGIO - a medtech company well positioned for continued profitable growth





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